

APPENDIX - 5

Public Law 14-29

P.L. 14-29



COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

GOV. COMM. 14-92
(HOUSE)

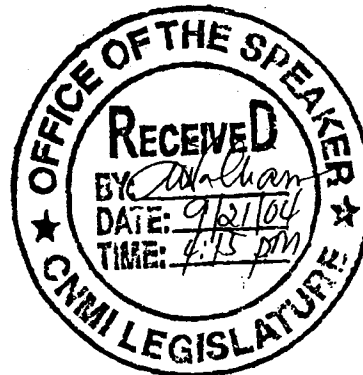
Juan N. Babauta
Governor

Diego T. Benavente
Lieutenant Governor

The Honorable Joaquin G. Adriano
Senate President, The Senate
Fourteenth **North** Marianas
Commonwealth Legislature
Saipan, MP 96950

The Honorable Benigno R. Fitial
Speaker, House of Representatives
Fourteenth Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

SEP 21 2004



Rear Mr. President and Mr. *Speaker*:

This is to inform you that I have signed into law House Bill No. 14-20, HS1, SS1, CD1, entitled, "to amend §§ 3(d) and 4(e), 9, and 14 of Public Law 13-17, as amended," which was passed by the Fourteenth Northern Marianas Commonwealth Legislature.

This measure amends Public Law 13-17, "The Land Compensation Act 2002" as further amended by Public Law 13-25 and Public Law 13-39 as follows:

First, Section 4(d) of the Land Compensation Act, pertaining to the prioritization of claims to be processed by the Marianas Public Lands Authority (MPLA) originally provided that:

(d) In implementing this Act, the ~~Marianas~~ Public Land Authority shall first compensate the acquisition of private lands for right of way purposes, including but not limited to public road construction, After those claims have ~~been~~ compensated, the Authority shall then compensate those claims involving the acquisition of private land for the purpose of constructing public ponding basins. Wetland and other claims shall be entertained only after claims involving right of way and ponding basin acquisitions have ~~been compensated~~.

Section 1(a) of this measure amends this relevant subsection, now contained in subsection 4(e) pursuant to the redesignation of subsections (c), (d), and (e) by Public Law 13-29, to read as follows:

(e) In implementing ~~this Act~~ ~~the~~ Marianas Public Lands Authority ~~shall~~ compensate ~~the~~ acquisition of private lands for right of way purposes, including but not limited to public road construction, ~~construction of ponding basins~~, wetland, and other ~~claims~~ involving private land acquisition permitted by applicable ~~laws~~.

Section 4(e) of the Land Compensation Act of 2002, therefore, is amended to remove the prioritization previously mandated for land compensation claims made by private landowners whose land ~~was taken~~ for public road construction. As amended, the land compensation claims for the acquisition of private lands by the CNMI Government for public road construction, construction of ponding basins, wetland, and other claims involving private land acquisition are treated equally. This amendment ensures that all individuals with land compensation claims are treated in a fair manner and removes any inference or appearance of favoring specific land claimants to the disadvantage of other individuals with pending land compensation claims.

Second, Section 1(b) of this measure amends that provision of Public Law 13-25 which amended the "The Land Compensation Act of 2002" to include a provision determining the Method for Valuation of Land. Specifically, Section 1(3) of Public Law 13-25 stated:

For purposes of this Act, landowners shall receive just compensation based on the fair market value of the land at the time of taking by the Commonwealth MPLA may use as a guide the procedures set forth in 2 CMC §§ 4712(a)(2) and (3) to determine fair market value at the time of taking.

Section 1(b) of this measure, however, provides that:

For purposes of this Act, land owners shall receive just compensation based on the fair market value of the land at the time of taking by the Commonwealth which is the date when the Governor or other authorized government official certifies in writing the need for the acquisition of the private land.

This provision, as that set forth in Public Law 13-25, ensures that individuals with land compensation claims receive the actual value of the land at the time of the taking. This provision, however, establishes a specific date that MPLA must use as the basis for its determination of the fair market value of the land and the amount of compensation that is due to the former landowner. It must be noted, however, that such claims will, by virtue of the high prevailing market values at the time that many such certifications were issued regarding the need for the acquisition of private land will deplete the forty million dollar bond issue authorized by Public Law 13-17 and may necessitate the authorization of additional bond measures or appropriations by the Legislature to ensure that all persons with land compensation claims are paid in an expeditious manner. The original intent and purpose of the Land Compensation Act of 2002 must not be neglected.

Finally, Sections 1(c) and 1(d) of this measure amend the provisions of the Land Compensation Act related to the transfer of bond proceeds to MPLA and funding of the administrative costs of implementing the provisions of the Land


Compensation Act. Specifically, Section 3(d) of Public Law 13-39, concerning the Transfer of Bond Proceeds to MPLA, is amended to remove that provision whereby CDA ~~was~~ required to transfer **all** the proceeds of the \$40,000,000.00 bond issue **authorized** by Public Law 13-17, **including** the **interest** accrued on the bond issue, to MPLA for ~~its~~ continued use for land compensation claims.

Section (1)(c) of this measure **mandates** that **all** of the proceeds of the **\$40,000,000.00 bond** issues are not held in ~~a~~ separate account **by** MPLA, but rather, will be held in trust by **a** CDA-appointed trustee that is charged with securing ~~the~~ bond issue funds and **only** releasing **such** funds for the **purpose** of land **compensation** claims and reasonable administrative **costs** made **by** request of the MPLA Commissioner **with the concurrence of the MPLA Board**.

This provision, therefore, ensures that the funds are only **utilized** for **their specific** intended purpose and that ~~the~~ funds are not expended disproportionately by for administrative **costs** and **bond** issuance **and** management issues.

This bill becomes Public Law No. **14-29**. Copies **bearing** my signature are forwarded for your reference.

Sincerely,



JUAN N. BABAUTA

CC: Attorney General
MPLA Board
MPLA Acting Commissioner
Executive Director, Commonwealth Development Authority
Special Assistant for **Programs** and Legislative Review



HOUSE OF REPRESENTATIVES

F **NORTHERN MARIANAS COMMONWEALTH LEGISLATURE**

SECOND REGULAR SESSION, 2004

PUBLIC LAW NO. 14-29

H. B. NO. 14-020, HSI, SS1, CD1

AN ACT

To amend §§ 3(d) and 4(e), 9, and 14 of Public Law 13-17, as amended.



Introduced by Representatives: Janet U. Maratita,
Benigno R. Fitial, Jesus SN. Lizama, Claudio K. Norita, Crispin M. Ogo,
Arnold I. Palacios, Justo S. Quitugua, Timothy P. Villagomez, and Ray N. Yumul

Date: February 9, 2004

Referred to: Committee on Natural Resources

Public Hearing: None

Standing Committee Report: SCR 14-67

Passed First and Final Reading on June 11, 2004

Rejected Senate Amendments on August 19, 2004

Conference Committee Report No. 14-3

Adopted Conference Amendments on September 9, 2004



Referred to: Committee on Resources, Economic Development and Programs

Public Hearing: None

Standing Committee Report: None

Passed Final Reading July 8, 2004

Conference Committee Report No. 14-3

Adopted Conference Amendments on September 14, 2004

Evelyn C. Fleming, House Clerk



HOUSE OF REPRESENTATIVES
FOURTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
FIRST REGULAR SESSION, 2004

PUBLIC LAW NO. 14-29
H. B. No. 14-20, HS1, SS1, CD1

AN ACT

To amend §§ 3(d) and 4(e), 9, and 14 of Public Law 13-17, as amended.

BE IT ENACTED BY THE FOURTEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

Section 1. Amendments.

(a) Section 4(e) of Public Law 13-17, as amended by PL 13-39, is amended to read as follows:

“(e) In implementing this Act, the Marianas Public Land Authority shall compensate the acquisition of private lands for right of way purposes, including but not limited to public road construction, construction of ponding basins, wetland, and other claims involving private land acquisition permitted by applicable laws.”

(b) Section 9 of Public Law No. 13-17, as amended by P.L. No. 13-25, is amended as follows:

“Section 9. Method for Valuation of Land. For purposes of this Act, land owners shall receive just compensation based on the fair market value of the land at the time of taking by the Commonwealth which is the date when the Governor or other authorized government official certifies in writing the need for the acquisition of the private land.”

(c) Section 3(d) of PL 13-39 is amended as follows:

“(d) Transfer of Bond Proceeds to MPLA. After satisfying any commission or fee, costs of issuance, reserves, credit enhancement, interim bond financing or other similar expenses, and after transferring the requisite

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HOUSE BILL NO. 14-20, HS1, SS1, CD1

1 amount for the Commonwealth prison project to the Department of Finance
2 for deposit into an account for the project, the CDA-appointed trustee,
3 pursuant to Public Law 11-3, shall retain the remaining balance of the bond
4 proceeds. The trust funds and earnings thereof are hereby continuously
5 appropriated solely for the purpose of paying out land compensation claims
6 and to meet reasonable expenses of administering the purposes of this act,
7 such expenses limited to obtaining appraisals, title searches and conducting
8 administrative hearings, subject to conditions necessary to maintain tax
9 exemption of the bonds or any interim financing. The Commissioner of
10 MPLA shall have expenditure authority over the funds in the account subject
11 to approval of claims by the Board. Such funds shall be drawn down from the
12 trustee based upon procedures established by the MPLA Board and upon the
13 concurrence of the Secretary of Finance.”

14 (d) Section 14 of PL 13-17, as amended by PL 13-39, is amended as
15 follows:

16 “Section 14. Funding. Notwithstanding any provision of law, the
17 Board of Public Lands shall utilize the bond proceeds from the trust funds and
18 earnings thereof established under Section 4(d) herein to meet reasonable past,
19 present and future expenses of administering the purposes of this act, limited
20 to obtaining appraisals, title searches and for conducting administrative
21 hearings and review pursuant to this Act.”

22 Section 2. Severability. If any provision of this Act or the application of any such
23 provision to any person or circumstance should be held invalid by a court of competent
24 jurisdiction, the remainder of this Act or the application of its provisions to persons or
25 circumstances other than those to which it is held invalid shall not be affected thereby.

26 Section 3. Savings Clause. This Act and any repealer contained herein shall not be
27 construed as affecting any existing right acquired under contract or acquired under statutes
28 repealed or under any rule, regulation or order adopted under the statutes. Repealers
29 contained in this Act shall not affect any proceeding instituted under or pursuant to prior law.

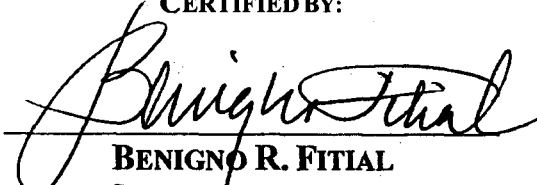
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1 The enactment of the Act shall not have the effect of terminating, or in any way modifying,
2 any liability, civil or criminal, which shall already be in existence on the date this Act
3 becomes effective.

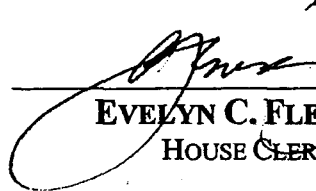
4 **Section 4. Application of Section 1(b).** Section 1(b) of this Act shall apply to all
5 pending claims subject to compensation under Public Law 13-17, as amended.

6 **Section 5. Effective Date.** This Act shall take effect upon its approval by the
7 Governor or becoming law without such approval.

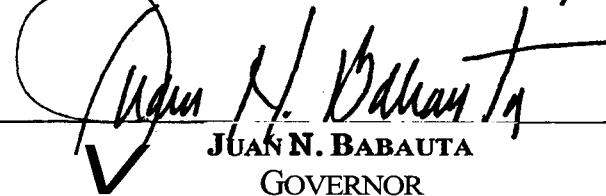
CERTIFIED BY:


BENIGNO R. FITIAL
SPEAKER OF THE HOUSE

ATTESTED TO BY:


EVELYN C. FLEMING
HOUSE CLERK

Approved on this 21st day of September, 2004


JUAN N. BABAUTA
GOVERNOR
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS